(b) if so, the reasons therefor; and

(c) the measures taken for quality upgradation to ensure fungus and bacteria free agricultural products to avoid rejction abroad?

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) International trade in farm products is dependent on prevailing international demand coinciding with domestic ability to supply, prevailing world prices of commodities, the varieties being traded and consumer preferences. The value of agro items exported, excluding marine products, tea, coffee, rubber, castor oil and cotton during the last two years is as below:

1997-98	Rs. 15169 crores	April—Oct. 1997-98	Rs. 7457.58 crores
1998-99	Rs. 15960 crores	April—Oct. 1998-99	Rs. 8712.62 crores
		April—Oct. 1999-2000	Rs. 7702.78 crores

(Source: DGCI & S, Calcutta)

(c) As a measure to ensure fungus & bacterial free agricultural products to prevent rejection abroad, schemes have been developed for compulsory inspection and testing groundnuts for aflatoxin. The sampling & testing methodologies and the nomination of laboratories found capable to carry out checks and certify with reliability have been completed. Assistance is being extended to improve drying of agricultural products so as to ensure an environment that discourages development of fungus and bacteria in the product.

Agreement with US Trade Representative on import restrictions

1872. SHRI C.M. IBRAHIM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether during the recent visit of the United States Trade Representative, Charlene Barshefsky to New Delhi, an agreement was reached to lift import restrictions and import licensing requirements on a large number of agricultural, textile and consumer products;

(b) if so, the precise terms of the agreement and item-wise restrictions removed thereby; and

(c) the likely impact thereof on exports to and import from the US during the ensuing year, category-wise?

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) No, Sir. However, consequent to the rulings and

recommendations of the Dispute Settlement Body (DSB) of the World Trade Organisation (WTO) that India was no longer justified in maintaining Quantitative Restrictions (QRs) on imports on Balance of Payments (BoP) grounds in a dispute filed by the United States of America, India and the USA have signed a bilateral agreement which has determined the Reasonable Period of Time (RPT) for implementing the above. Accordingly, out existing QRs on 1429 tariff lines at eight digit level maintained on balance of payments grounds, QRs on 714 items are to be removed by 1st April, 2000 and on the rest of 715 items are to be removed by 1st April, 2001. In this regard, it may be mentioned that no item covered under the said agreement has so far been removed.

(c) Since QRs on these items are still to be lifted, exact impact on trade cannot be quantified. However, it may be noted that out of the 1429 tariff lines on which QRs are to be removed, 685 tariff lines are already importable against Special Improt Licence (SIL). Hence, there is unlikely to be any perceptible impact on import-export trade in future due to the removal of QRs as are being maintained on BoP grounds.

Automatic approval for FDI

1873. SHRI VEDPRAKASH P. GOYAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Automatic approvals for Foreign Direct Investment has not worked well with the foreign investors;

(b) if so, what are the shortcomings in the policy;

(c) what is the proportion of automatic clearances to the total FDI clearances; and

(d) what steps government have taken or propose to take in this direction since automatic clearance scheme has not proved effective?

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) and (b) Both the automatic route as well as FIPB/Government route are being availed of by the investors. Investors who are covered by the automatic route also have the option to avail of the FIPB/ Government route. No difficulties have been expressed by an investor in availing of the automatic route.